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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/771,709	02/04/2004	Robert L. Padgett	014242-000011	4140

7590 07/09/2008  
Nelson Mullins Riley & Scarborough LLP  
Intellectual Property Dept.  
1320 Main Street  
Columbia, SC 29201

EXAMINER
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POINVIL, FRANTZY

ART UNIT	PAPER NUMBER
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3692

NOTIFICATION DATE	DELIVERY MODE
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07/09/2008

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

<b>Office Action Summary</b>	<b>Application No.</b> 10/771,709	<b>Applicant(s)</b> PADGETTE, ROBERT L.	
	<b>Examiner</b> Frantzy Poinvil	<b>Art Unit</b> 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 28 March 2008.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-69 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-69 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Response to Arguments***

1. Applicant's arguments filed 3/28/2008 have been fully considered but they are not persuasive..

Applicant's representative has amended the independent claims to recite a function of determining "a quantitative value of importance for each of the plurality of the attributes relative to the other attributes" based on the responses from the user to the questions related to the attributes. Applicant then states that "*O'Shaughnessy*, however, does not disclose a system or method that determines a quantitative value of importance for each of the attributes selected by the user relative to the other attributes of the alternatives, nor does it generate a ranking of a plurality of alternatives in response to both the risk tolerance of a user and an analysis of the values of importance".

In response, *O'Shaughnessy* teaches providing a ranking of the alternatives to a user. A ranking usually involves a value of importance. Thus the claimed function of "determining a quantitative value of importance for each of the attributes selected by the use relative to the other attributes" would have been obvious to one of ordinary skill in the art to do in the system and method of *O'Shaughnessy* because *O'Shaughnessy* teaches ranking of the plurality of strategies and recommended strategies selected by the user.

Applicant has added claims 65-69 to recite "allocating resources among the alternatives based on the at least one ranking of the alternatives" and states that *O'Shaughnessy* does not teach or suggest this claimed feature.

In response, O'Shaughnessy teaches providing a plurality of alternatives or recommendations of securities based on a plurality of strategies thus meeting this claimed limitation.

### **Claim Rejections - 35 USC § 101**

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-69 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, Section , cl. 8 gave Congress the power to "promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof". Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena" and "abstract ideas". See *Diamond v. Diehr*, 450, USPQ 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, the courts

have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

The claims involve performing at least one of ranking of the alternatives. However, there are no actual steps of performing the intended method to produce a useful, concrete and tangible result. Accordingly, the claims do not produce any output being considered as a concrete, useful and tangible result. It should also be noticed that the claims are not tied to any computerized system or a computer to perform the claimed functions or to produce a useful concrete and tangible result. Thus claims 1-69 are rejected as being non-statutory.

### ***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-69 are rejected under 35 U.S.C. 103(a) as being unpatentable over O'Shaughnessy et al. (7,249,080).

As per claims 1, 37, 48 and 59, O'Shaughnessy et al disclose a system and method for providing investment advises to a client. The system and method comprise determining a risk tolerance for the client (column 9, lines 12-51), presenting a plurality of attributes related to the alternatives for selection by the user (column 9, lines 12-51) ; and

Performing at least one of ranking the alternatives or allocating among the alternatives in response to analysis of the plurality of attributes and the risk tolerance of the user. See column 19, lines 39-61 and column 20, lines 36-45.

Applicant's representative has amended the independent claims to recite a function of determining "a quantitative value of importance for each of the plurality of the attributes relative to the other attributes" based on the responses from the user to the questions related to the attributes. Applicant then states that "*O'Shaughnessy*, however, does not disclose a system or method that determines a quantitative value of importance for each of the attributes selected by the user relative to the other attributes of the alternatives, nor does it generate a ranking of a plurality of alternatives in response to both the risk tolerance of a user and an analysis of the values of importance".

In response, *O'Shaughnessy* teaches providing a ranking of the alternatives to a user. A ranking usually involves a value of importance. Thus the claimed function of "determining a quantitative value of importance for each of the attributes selected by the use relative to the other attributes" would have been obvious to one of ordinary skill in the art to do in the system and method of *O'Shaughnessy* because *O'Shaughnessy* teaches ranking of the plurality of strategies and recommended strategies selected by the user.

As per claims 2-6, 38-40 and 49-51, *O'Shaughnessy et al.* disclose determining the risk tolerance of the user comprises evaluating responses by the user to a plurality of risk tolerance questions, evaluating a selection by the user between at least on riskless asset hypothetical and a risky asset hypothetical, selecting an acceptable percentage of the risky asset relative to the riskless asset (wherein each of the plurality of alternatives is a different investment product and the information comprises historical returns for the investment product. See column 9, lines 53-67, column 10, lines 47-58 and column 19, line 39 to column 20, line 62 of *O'Shaughnessy et al.*

As per claim 7, O'Shaughnessy et al also disclose ranking each of the plurality of alternatives relative to one another in response to the utility or certainty equivalent of each alternative. See column 19, lines 59-62.

As per claim 28, O'Shaughnessy et al disclose:

Presenting a plurality of risk tolerance questions to a user

Measuring a risk tolerance for the user based on responses of the user to the plurality of risk tolerance questions; presenting a plurality of attributes related to the alternatives for selection by the user; performing an analysis of the attributes selected by the user; and performing at least one of ranking the alternatives or allocating among the alternatives in response to a combination of the risk tolerance of the user and the analysis of the attributes selected by the user; and performing at least one of ranking the alternatives in response to a combination of the risk tolerance of the user and the analysis of the attributes selected by the user. See column 9, line 12 to column 10, line 57 and columns 19-20 of O'Shaughnessy et al.

As per claim 29, see also columns 19-20 of O'Shaughnessy et al.

As per claim 47, 58 and 60, see columns 19-20 of O'Shaughnessy et al.

As per claim 56, see column 19, lines 39-62 of O'Shaughnessy et al.

As per claims 62-64, see the abstract of O'Shaughnessy et al.

As per claims 8-27, 30-36, 41, 52-55 and 61, the teachings of O'Shaughnessy et al are discussed above. O'Shaughnessy et al do not explicitly state a first, second, third and fourth hypothetical and an importance of difference rating questions or tradeoff questions.

O'Shaughnessy et al however, disclose providing a plurality of questions to a client, analyzing the responses and providing alternatives and investment recommendations to the client.

O'Shaughnessy et al further state "comparing the attributes (securities and the weight of each security in the portfolio) of her existing ebasket 406 (which is the product of applying the strategy recommendation to a market universe sometime in the past) to the attributes of the current security recommendations 304 that are the output of applying the strategy recommendation 206 to the current market condition". See column 20, lines 37-44 of O'Shaughnessy et al. It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify O'Shaughnessy et al in the manner claimed in order to provide different clients with different types or styles of questions thereby providing an accurate or tailored recommendation to a specific client.

As per claims 42-43, 46 O'Shaughnessy et al disclose presenting the alternatives to the clients. O'Shaughnessy et al do not explicitly state presenting the alternatives ranked in an order of a combination or weighting of a highest utility to a lowest utility in response to analysis of the plurality of attributes and the highest certainty equivalent to lowest certainty equivalent in response to the risk tolerance of the user. Presenting the alternatives ranked in an order of a combination of a highest utility to a lowest utility would have been obvious to one of ordinary skill in the art to do in the system of O'Shaughnessy et al in order to present a client with alternatives for selection based on his/her preferences.

As per claims 44 and 45, O'Shaughnessy et al disclose the weighting is selected by the user, a manager or financial advisor.

As per claim 57, see column 20, lines 37-47 of O'Shaughnessy et al.



Applicant has added claims 65-69 to recite “allocating resources among the alternatives based on the at least one ranking of the alternatives” and states that O’Shaughnessy does not teach or suggest this claimed feature.

In response, O’Shaughnessy teaches providing a plurality of alternatives or recommendations of securities based on a plurality of strategies thus meeting this claimed limitation.

4. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (571) 272-

6797. The examiner can normally be reached on Monday-Thursday from 7:00AM to 5:30PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571) 272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

**/Frantzy Poinvil/  
Primary Examiner  
Art Unit 3692**

FP  
June 27, 2008